



**Lightning
Minerals**

**Lightning Minerals Limited
ACN 656 005 122**

Notice of General Meeting

A general meeting of the Company will be held as follows:

Time and date: 11:00 am (AEST) on 13 June 2024

Location: Automic Group, Suite 5, Level 12, 530 Collins Street, Melbourne, VIC, 3000

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (03) 9088 2049.

Shareholders are urged to vote by lodging the Proxy Form

Lighting Minerals Limited
ACN 656 005 122
(Company)

Notice of General Meeting

Notice is hereby given that a general meeting of Shareholders of Lightning Minerals Limited (**Company**) will be held at Automic Group, Suite 5, Level 12, 530 Collins Street, Melbourne, VIC, 3000 on 13 June 2024 at 11:00 am (AEST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form are included as part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 11 June 2024 at 7:00 pm (AEST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Resolutions

Resolution 1 – Ratification of issue of Tranche 1 Placement Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

‘That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 7,479,605 Tranche 1 Placement Shares issued under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.’

Resolution 2 – Approval to issue Tranche 1 Placement Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

‘That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 3,739,803 Tranche 1 Placement Options, on the terms and conditions in the Explanatory Memorandum.’

Resolution 3 – Approval to issue Tranche 2 Placement Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

‘That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 13,298,966 Tranche 2 Placement Shares, on the terms and conditions in the Explanatory

Memorandum.'

Resolution 4 – Approval to issue Tranche 2 Placement Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 6,649,483 Tranche 2 Placement Options, on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 (a), (b) and (c) – Approval to issue Director Placement Securities

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue of 975,000 Director Placement Securities to the Directors (or their respective nominees) as follows:

- (a) *up to 285,714 Director Placement Shares and 142,857 Director Placement Options to Francesco Cannavo;*
- (b) *up to 214,286 Director Placement Shares and 107,143 Director Placement Options to Alex Biggs; and*
- (c) *up to 150,000 Director Placement Shares and 75,000 Director Placement Options to Craig Sharpe,*

on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Approval to issue Consideration Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

'That, subject to and conditional upon the passing of all Transaction Resolutions, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 22,142,857 Consideration Shares to the Sellers (or their nominees) as partial consideration for the Proposed Acquisition on the terms and conditions in the Explanatory Memorandum.'

Resolution 7 – Approval to issue Consideration Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

'That, subject to and conditional upon the passing of all Transaction Resolutions, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 6,000,000 Consideration Options to the Sellers (or their nominees) as partial consideration for the Proposed Acquisition on the terms and conditions in the Explanatory Memorandum.'

Resolution 8 – Approval to issue Consideration Performance Rights

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

‘That, subject to and conditional upon the passing of all Transaction Resolutions, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 39,999,999 Consideration Performance Rights to the Sellers (or their nominees) as partial consideration for the Proposed Acquisition on the terms and conditions in the Explanatory Memorandum.’

Resolution 9 – Approval to issue Adviser Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

‘That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 5,892,857 Adviser Shares to S3 Consortium Pty Ltd on the terms and conditions set out in the Explanatory Memorandum.’

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) **Resolution 1:** by or on behalf of any person who participated in the issue of the Tranche 1 Placement Shares, or any of their respective associates.
- (b) **Resolution 2:** by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Tranche 1 Placement Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (c) **Resolution 3:** by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Tranche 2 Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (d) **Resolution 4:** by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Tranche 2 Placement Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (e) **Resolution 5(a):** by or on behalf of Mr Francesco Cannavo (or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Placement Securities (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (f) **Resolution 5(b):** by or on behalf of Mr Alex Biggs (or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Placement Securities (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

- (g) **Resolution 5(c):** by or on behalf of Mr Craig Sharpe (or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Placement Securities (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (h) **Resolution 6, Resolution 7 and Resolution 8:** by or on behalf of the Sellers (or their respective nominees), and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (i) **Resolution 9:** by or on behalf of the S3 Consortium Pty Ltd (or their nominee), and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (j) a person as proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (k) the Chair as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (l) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD

Justyn Stedwell

Company Secretary

Lightning Minerals Limited

Dated: 13 May 2024

Lightning Minerals Limited
ACN 656 005 122
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Automic Group, Suite 5, Level 12, 530 Collins Street, Melbourne, VIC, 3000 on 13 June 2024 at 11:00am (AEST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Voting and attendance information
Section 3	Background to Placement and Proposed Acquisition
Section 4	Resolution 1 – Ratification of issue of Tranche 1 Placement Shares
Section 5	Resolution 2 – Approval to issue Tranche 1 Placement Options
Section 6	Resolution 3 – Approval to issue Tranche 2 Placement Shares
Section 7	Resolution 4 – Approval to issue Tranche 2 Placement Options
Section 8	Resolution 5 (a), (b) and (c) – Approval to issue Director Placement Securities
Section 9	Resolution 6 – Approval to issue Consideration Shares
Section 10	Resolution 7 – Approval to issue Consideration Options
Section 11	Resolution 8 – Approval of issue of Consideration Performance Rights.
Section 12	Resolution 9 – Approval of issue of Adviser Shares
Schedule 1	Definitions
Schedule 2	Terms and Conditions of the Tranche 1 Placement Options, Tranche 2 Placement Options and Director Placement Options
Schedule 3	Terms and Conditions of Consideration Options
Schedule 4	Terms and conditions of Consideration Performance Rights

2. Voting and attendance information

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above.

2.2 Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of their appointment, including any authority under which it is signed.

2.3 Voting by proxy

A Proxy Form is made available with this Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The available Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the Chair of the meeting;
- (c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA, on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Your proxy voting instruction must be received by 11:00 am (AEST) on 11 June 2024, being not later than 48 hours before the commencement of the Meeting.

2.4 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

2.5 Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at justyn@lightningminerals.com.au by 11:00 am AEST on 11 June 2024.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

2.6 Notice of members' rights

Shareholders have the right to elect to:

- (a) be sent certain documents in physical form;
- (b) be sent certain documents in electronic form;
- (c) not be sent certain documents at all.

A notice of these rights and how Shareholders can make an election and/or request is available by contacting the Company Secretary at justyn@lightningminerals.com.au or the share registry, Automic Group, at hello@automic.com.au.

3. Background to Placement and Proposed Acquisition

3.1 Placement

On 22 April 2024, the Company announced a capital raising of \$1,500,000 (before costs) through the issue of 21,428,571 Shares at an issue price of \$0.07 per Share (**Placement Shares**), with 1 attaching quoted Option for every 2 Placement Shares subscribed for, exercisable at \$0.25 each and expiring on 13 March 2028 (**Placement Options**) (**Placement**).

The Placement Options will be on the same terms as the Company's current quoted Options L1MO.

The Placement is being undertaken in the following tranches:

- (a) 7,479,605 Placement Shares to be issued to unrelated parties on 29 April 2024 using the Company's available placement capacity under Listing Rule 7.1 (**Tranche 1 Placement Shares**), the subject of Resolution 1;
- (b) 3,739,803 Placement Options to be issued to unrelated parties subject to Shareholders approving Resolution 2 (**Tranche 1 Placement Options**);
- (c) 13,298,966 Placement Shares to be issued to unrelated parties subject to Shareholders approving Resolution 3 (**Tranche 2 Placement Shares**);
- (d) 6,649,483 Placement Options to be issued to unrelated parties subject to Shareholders approving Resolution 4 (**Tranche 2 Placement Options**); and
- (e) 650,000 Placement Shares (**Director Placement Shares**) and 325,000 Placement Options (**Director Placement Options**) to be issued to Directors Francesco Cannavo, Alex Biggs and Craig Sharpe (or their respective nominees) subject to Shareholders approving Resolution 5(a) to (c) (inclusive) (**Director Placement Securities**).

The Company has engaged Pac Partners Securities Pty Ltd (**Lead Manager**) as lead manager and broker to the Placement and will receive a cash fee of 6% of funds raised under the Placement.

3.2 Proposed Acquisition

On 22 April 2024, the Company announced that it had entered into binding agreements with the shareholders of Bengal Mining Pty Ltd (**Bengal**) (**Sellers**) to acquire all the issued share capital of Bengal (**Proposed Acquisition**).

Bengal holds, via its wholly owned subsidiary Tigre Mineracao Ltda (**Tigre**) exclusive options to acquire two lithium projects, Caraibas and Sidrônio projects (together, the **Bengal Project**) in Brazil's Lithium Valley district in the state of Minas Gerais.

The Company has agreed to make the following consideration payments to the Sellers (or their respective nominees), pro-rata to their respective shareholding in Bengal:

- (a) 22,142,857 Shares at a deemed issue price of \$0.07 per Share (**Consideration Shares**), subject to Shareholder approval pursuant to Resolution 6;
- (b) 6,000,000 Options with an exercise price of \$0.105 each and an expiry date of 3 years from the date of issue, and otherwise on the terms and conditions set out Schedule 3 (**Consideration Options**), subject to Shareholder approval pursuant to Resolution 7;

and

- (c) 39,999,999 Performance Rights on the terms and conditions set out in Schedule 4 (**Consideration Performance Rights**), subject to Shareholder approval pursuant to Resolution 8,

(collectively, the **Consideration Securities**).

Completion of the Proposed Acquisition is conditional upon, amongst other things, the Company completing due diligence to its satisfaction on the Bengal Project, the minority shareholders of Bengal executing a binding share sale agreement, the Company completing the Placement, and the Company obtaining Shareholder approval for the issue of the Tranche 2 Placement Shares and Options and the Consideration Securities.

The agreement is otherwise consistent with customary binding share sale agreements of this nature.

4. **Resolution 1 – Ratification of issue of Tranche 1 Placement Shares**

4.1 **General**

The background of the Placement and Tranche 1 Placement Shares is set out in Section 3.1 above.

The Company issued the Tranche 1 Placement Shares on 29 April 2024 using the Company's placement capacity under Listing Rule 7.1.

Resolution 1 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares.

4.2 **Listing Rules 7.1 and 7.4**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions to Listing Rules 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's placement capacities under Listing Rules 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 for the 12-month period following the issue of the Tranche 1 Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 (and provided that the previous issue did not breach Listing Rules 7.1), those Equity Securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1.

The effect of Shareholders passing Resolution 1 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in

Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 1 is passed, 7,479,605 Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 1 is not passed, 7,479,605 Tranche 1 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 7,479,605 Equity Securities for the 12-month period following the issue of those Placement Shares.

The Company confirms that Listing Rule 7.1 was not breached at the time the Tranche 1 Placement Shares were issued.

4.3 **Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 1 Placement Shares:

- (a) The Tranche 1 Placement Shares were issued to new and existing investors, including sophisticated and professional investors (**Tranche 1 Placement Participants**), none of whom is a related party of the Company or a Material Investor. The Tranche 1 Placement Participants were identified through a bookbuild process, which involved the Lead Manager seeking expressions of interest to participate in the Placement from new and existing contacts of the Company and clients of the Lead Manager.
- (b) A total of 7,479,605 Tranche 1 Placement Shares were issued using the Company's available placement capacity under Listing Rule 7.1.
- (c) The Tranche 1 Placement Shares are fully paid and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued on 29 April 2024 at an issue price of \$0.07 each.
- (e) The proceeds from the issue of the Tranche 1 Placement Shares have been or are intended to be used towards:
 - (i) costs of the Proposed Acquisition;
 - (ii) exploration and drilling activities at the Bengal Projects;
 - (iii) general working capital; and
 - (iv) costs of the Placement.
- (f) There are no other material terms to the agreement for the subscription of the Tranche 1 Placement Shares.
- (g) A voting exclusion statement is included in the Notice.

4.4 **Additional information**

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

5. **Resolution 2 – Approval to issue Tranche 1 Placement Options**

5.1 **Background**

The background of the Placement and Tranche 1 Placement Options is set out in Section 3.1 above.

Resolution 2 seeks the approval of Shareholders pursuant to and in accordance with Listing Rule 7.1 to issue the Tranche 1 Placement Options.

5.2 **Listing Rule 7.1**

A summary of Listing Rules 7.1 is in Section 4.2 above.

The issue of the Tranche 1 Placement Options does not fit within any of the exceptions to Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

The effect of Shareholders passing Resolution 2 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 2 is passed, the Company can proceed to issue the 3,739,803 Tranche 1 Placement Options without using up any of the Company's 15% limit on issuing Equity Securities without shareholder approval under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the 3,739,803 Tranche 1 Placement Options without using its available capacity under Listing Rule 7.1. As at the date of this Notice, the Company does not have sufficient placement capacity to issue the 3,739,803 Tranche 1 Placement Options. Accordingly, the Company will not be able to proceed with the issue if Resolution 2 is not passed unless it has sufficient placement capacity following the Meeting.

5.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the to the proposed issue of the Tranche 1 Placement Options:

- (a) The Tranche 1 Placement Options will be issued to the Tranche 1 Placement Participants (refer to Section 4.3(a) above for further details of the Tranche 1 Placement Participants).
- (b) A maximum of 3,739,803 Tranche 1 Placement Options will be issued to the Tranche 1 Placement Participants.

- (c) The Tranche 1 Placement Options are exercisable at \$0.25 each and expire on 13 March 2028 and are otherwise subject to the terms and conditions set out in Schedule 2.
- (d) The Tranche 1 Placement Options will be issued no later than 3 months after the date of the Meeting.
- (e) The Tranche 1 Placement Options are being issued as free attaching Options to the Tranche 1 Placement Shares. Accordingly, nil additional cash consideration will be payable by the Tranche 1 Placement Participants.
- (f) A summary of the intended use of funds raised from the Placement is in Section 4.3(e) above. No additional funds will be raised by the issue of the Tranche 1 Placement Options. Any funds raised upon exercise of the Tranche 1 Placement Options will be used towards general working capital purposes.
- (g) There are no other material terms to the proposed issue of the Tranche 1 Placement Options.
- (h) A voting exclusion statement is included in the Notice.

5.4 **Additional information**

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

6. **Resolution 3 – Approval to issue Tranche 2 Placement Shares**

6.1 **General**

The background to the Placement is summarised in Section 3.1 above.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 13,298,966 Tranche 2 Placement Shares.

6.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The issue of the Tranche 2 Placement Shares does not fit within any of the exceptions to Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

The effect of Shareholders passing Resolution 3 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 3 is passed, the Company will be able to proceed with the issue of up to 13,298,966 Tranche 2 Placement Shares.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of up to 13,298,966 Tranche 2 Placement Shares without using its available capacity under Listing Rule 7.1. If the Company does not have sufficient placement capacity to issue the Tranche 2

Placement Shares following the Meeting, it will not be able to proceed with the issue.

6.3 **Specific information requires by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Shares:

- (a) The Tranche 2 Placement Shares will be issued to new and existing investors, including sophisticated and professional investors (**Tranche 2 Placement Participants**). The Tranche 2 Placement Participants were identified through a bookbuild process, which involved the Lead Manager seeking expressions of interest to participate in the Placement from new and existing contacts of the Company and clients of the Lead Manager. The Tranche 2 Placement Participants included Toronga Pty Ltd, a substantial Shareholder (holding 8,500,000 Shares, representing 17.05% of the Shares on issue before the Placement), which subscribed for 1,000,000 Tranche 2 Placement Shares.

Other than as disclosed above, none of the Tranche 2 Placement Shares were issued to related parties or Material Investors of the Company.

- (b) A maximum of 13,298,966 Tranche 2 Placement Shares will be issued.
- (c) The Tranche 2 Placement Shares will be fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Tranche 2 Placement Shares will be issued at an issue price of \$0.07 each.
- (f) A summary of the intended use of funds raised from the Placement is in Section 4.3(e) above.
- (g) There are no other material terms to the agreement for the subscription of the Tranche 2 Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

6.4 **Additional Information**

Resolution 3 is an ordinary Resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

7. **Resolution 4 – Approval to issue Tranche 2 Placement Options**

7.1 **General**

The background of the Placement and the Tranche 2 Placement Options is set out in Section 3.1 above.

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Tranche 2 Placement Options.

7.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The issue of the Tranche 2 Placement Options does not fit within any of the exceptions to Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

The effect of Shareholders passing Resolution 4 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 4 is passed, the Company will be able to proceed with the issue of the 6,649,483 Tranche 2 Placement Options.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the 6,649,483 Tranche 2 Placement Options without using its available capacity under Listing Rule 7.1. If the Company does not have sufficient placement capacity to issue the 6,649,483 Tranche 2 Placement Options following the Meeting, it will not be able to proceed with the issue.

7.3 **Specific Information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Options:

- (a) The Tranche 2 Placement Options will be issued to the Tranche 2 Placement Participants (refer to Section 3.1 above for further details of the Tranche 2 Placement Participants).
- (b) A maximum of 6,649,483 Tranche 2 Placement Options will be issued to the Tranche 2 Placement Participants.
- (c) The Tranche 2 Placement Options are exercisable at \$0.25 each and expire on 13 March 2028 and are otherwise subject to the terms and conditions set out in Schedule 2.
- (d) The Tranche 2 Placement Options will be issued no later than 3 months after the date of the Meeting.
- (e) The Tranche 2 Placement Options are being issued as free attaching Options to the Tranche 2 Placement Shares. Accordingly, nil additional cash consideration will be payable by the Tranche 2 Placement Participants.
- (f) A summary of the intended use of funds raised from the Placement is in Section 4.3(e) above. No additional funds will be raised by the issue of the Tranche 2 Placement Options. Any funds raised upon exercise of the Tranche 2 Placement Options will be used towards general working capital purposes.
- (g) There are no other material terms to the proposed issue of the Tranche 2 Placement Options.
- (h) A voting exclusion statement is included in the Notice.

7.4 **Additional information**

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4.

8. Resolution 5 (a), (b) and (c) – Approval to issue Director Placement Securities

8.1 General

The background to the Placement is in Section 3.1 above.

The Directors wish to participate in the Placement to the extent of subscribing for up to 650,000 Director Placement Shares and 325,000 Director Placement Options to raise up to approximately \$45,500 (before costs) in the following proportions:

Director	Amount committed to the Placement	Director Placement Shares	Director Placement Options
Francesco Cannavo	\$20,000	285,714	142,857
Alex Biggs	\$15,000	214,286	107,143
Craig Sharpe	\$10,500	150,000	75,000
TOTAL	\$45,500	650,000	325,000

Resolution 5(a) to (c) (inclusive) seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Director Placement Securities to the Directors (or their respective nominees).

8.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any of the following persons without the approval of its Shareholders:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or

- (e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5).

The Directors are each a related party of the Company by virtue of being Directors. Shareholder approval pursuant to Listing Rule 10.11 is therefore required unless an exception applies. It is the view of the Board that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Placement Securities as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Director Placement Securities to the Directors (or their respective nominees) will not be included in the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

The effect of Shareholders passing Resolution 5(a) to (c) (inclusive) will be to allow the Company to issue the Director Placement Securities, raising up to \$45,500 (before costs).

If Resolution 5(a) to (c) (inclusive) is not passed, the Company will not be able to proceed with the issue of the Director Placement Securities and will not receive the additional \$45,500 (before costs) committed by the Directors.

8.3 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Securities:

- (a) The Director Placement Securities will be issued to the Directors (or their respective nominees) in the manner set out in Section 8.1.
- (b) Each of the Directors fall into the category stipulated by Listing Rule 10.11.1 by virtue of being Directors of the Company.
- (c) A maximum of 650,000 Director Placement Shares and 325,000 Director Placement Options will be issued to the Directors (and/or their respective nominees).
- (d) The Director Placement Shares will be fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (e) The Director Placement Options will be exercisable at \$0.25 each and will expire on 13 March 2028. The Director Placement Options are subject to the terms and conditions in Schedule 2.
- (f) The Director Placement Securities will be issued within one month after the date of the Meeting.
- (g) The Director Placement Shares are proposed to be issued at an issue price of \$0.07 each, being the same issue price as other Placement Shares and will raise up to approximately \$45,500 (before costs).
- (h) The Director Placement Options are proposed to be issued for nil cash consideration as they are free-attaching to the Director Placement Shares. Accordingly, no funds will be raised from the issue of the Director Placement Options. Any funds raised upon exercise of the Director Placement Options will be used towards general working capital purposes.

- (i) A summary of the intended use of funds raised from the Placement is in Section 4.3(e) above. No additional funds will be raised by the issue of the Director Placement Options.
- (j) The proposed issue of the Director Placement Securities is not intended to remunerate or incentivise the Directors.
- (k) There are no other material terms to the proposed issue of the Director Placement Securities. The Director Placement Securities will not be issued pursuant to an agreement.
- (l) A voting exclusion statement is included in the Notice.

8.4 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a meeting of directors from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

The Directors have a personal interest in the outcome of Resolution 5(a) to (c) (inclusive) and have exercised their right under section 195(4) of the Corporations Act to put the issue of the Director Placement Securities to Shareholders to resolve.

8.5 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of the Director Placement Securities constitutes giving a financial benefit to related parties of the Company.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director Placement Securities because the Securities will be issued on the same terms as those Securities issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

8.6 Additional information

Resolution 5(a) to (c) (inclusive) are separate ordinary resolutions.

The Board declines to make a recommendation in respect of Resolution 5(a) to (c) (inclusive) as a result of the Directors personal interest in the Resolutions.

9. Resolution 6 – Approval to issue Consideration Shares

9.1 General

An overview of the Proposed Acquisition is set out in Section 3.2 above.

Resolution 6 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Consideration Shares to the Sellers pursuant to the Proposed Acquisition.

9.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

Listing Rule 7.2 exception 17 applies as the issue of the Consideration Shares is subject to Shareholder approval pursuant to Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the 22,142,857 Consideration Shares.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the 22,142,857 Consideration Shares and unable to proceed with the Proposed Acquisition.

9.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Shares:

- (a) The Consideration Shares will be issued to the Sellers, none of whom are a related party or Material Investor of the Company. The Consideration Shares will be issued to the Sellers pro-rata to their respective shareholding in Bengal.
- (b) A maximum of 22,142,857 Consideration Shares will be issued.
- (c) The Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Consideration Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Consideration Shares will be issued for nil cash consideration, as they are being issued as partial consideration in connection with the Proposed Acquisition. Accordingly, no funds will be raised from the issue. The Consideration Shares will have a deemed issue price of \$0.07 per Share.
- (f) A summary of the material terms of the Proposed Acquisition is set out in Section 3.2 above.
- (g) A voting exclusion statement is included in the Notice.

9.4 Additional information

The passing of this Resolution 6 is conditional upon and subject to Shareholders approving all Transaction Resolutions.

Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

10. Resolution 7 – Approval to issue Consideration Options

10.1 General

An overview of the Proposed Acquisition is given in Section 3.2 above.

Resolution 7 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Consideration Options to the Sellers pursuant to the Proposed Acquisition.

10.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 6.2 above.

Listing Rule 7.2 exception 17 applies as the issue of the Consideration Shares is subject to Shareholder approval pursuant to Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the 6,000,000 Consideration Options.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the 6,000,000 Consideration Options and unable to proceed with the Proposed Acquisition.

10.3 Specific Information required by Listing Rule 7.3

Pursuant to Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Options:

- (a) The Consideration Options will be issued to the Sellers, none of whom are a related party or Material Investor of the Company. The Consideration Options will be issued to the Sellers pro-rata to their respective shareholding in Bengal.
- (b) A maximum of 6,000,000 Consideration Options will be issued.
- (c) The Consideration Options will be exercisable at \$0.105 each and an expiry date of 3 years from the date of issue, and otherwise on the terms and conditions set out in Schedule 3.
- (d) The Consideration Options will be issued no later than 3 months after the date of the Meeting.
- (e) The Consideration Options will be issued for nil cash consideration, as they are being issued as partial consideration in connection with the Proposed Acquisition. Accordingly, no funds will be raised from the issue. Any funds raised upon exercise of the Consideration Options will be applied towards general working capital purposes.
- (f) A summary of the material terms of the Proposed Acquisition is set out in Section 3.2 above.
- (g) A voting exclusion statement is included in the Notice.

10.4 **Additional information**

The passing of this Resolution 7 is conditional upon and subject to Shareholders approving all Transaction Resolutions.

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

11. **Resolution 8– Approval to issue Consideration Performance Rights**

11.1 **General**

The background to the Proposed Acquisition is set out in Section 3.2.

Resolution 8 seeks the approval of Shareholder pursuant to Listing Rule 7.1 to issue the Consideration Performance Rights to the Sellers pursuant to the Proposed Acquisition.

11.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

Listing Rule 7.2 exception 17 applies as the issue of the Consideration Shares is subject to Shareholder approval pursuant to Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the issue of the 39,999,999 Consideration Performance Rights.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the 39,999,999 Consideration Performance Rights and unable to proceed with the Proposed Acquisition.

11.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Consideration Performance Rights:

- (a) The Consideration Performance Rights will be issued to the Sellers, none of whom are a related party or Material Investor of the Company. The Consideration Performance Rights will be issued to the Sellers pro-rata to their respective shareholding in Bengal.
- (b) A maximum of 39,999,999 Consideration Performance Rights will be issued.
- (c) The Consideration Performance Rights are subject to the terms and conditions set out in Schedule 4.
- (d) The Consideration Performance Rights will be issued no later than 3 months after the date of the Meeting.
- (e) The Consideration Performance Rights will be issued for nil cash consideration, as they are being issued as partial consideration in connection with the Proposed Acquisition. Accordingly, no funds will be raised from the issue.

- (f) A summary of the material terms of the Proposed Acquisition is set out in Section 3.2 above.
- (g) A voting exclusion statement is included in the Notice.

11.4 **Additional information**

The passing of this Resolution 8 is conditional upon and subject Shareholders approving all Transaction Resolutions.

Resolution 8 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 8.

12. **Resolution 9 – Approval of issue of Adviser Shares**

12.1 **General**

The Company has engaged S3 Consortium Pty Ltd (**Stocks Digital**) to provide investor relation services for a 24-month period. In connection with the engagement, the Company agreed to issue 5,892,857 Shares (**Adviser Shares**) to Stocks Digital in consideration for services provided to the Company.

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 5,892,857 Adviser Shares.

12.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The issue of the Adviser Shares does not fit within any of the exceptions to Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the issue of up to 5,892,857 Adviser Shares.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of up to 5,892,857 Adviser Shares and may consider alternative means to compensate Stocks Digital for their services, which may include paying cash.

12.3 **Specific information requires by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Adviser Shares:

- (a) The Adviser Shares will be issued to Stocks Digital (or their nominee) who is not a related party or Material Investor of the Company.
- (b) A maximum of 5,892,857 Adviser Shares will be issued.
- (c) The Adviser Shares will be fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Adviser Shares will be issued no later than 3 months after the date of the Meeting.

- (e) The purpose of the issue of the Adviser Shares was to discharge the Company's obligations to pay the consideration to Stocks Digital in accordance with the mandate summarised at (f) below. The Adviser Shares will be issued for nil issue price in consideration of the services provided to the Company. Accordingly, no funds will be raised from the issue.
- (f) The Company has entered into a mandate with Stocks Digital, pursuant to which Stocks Digital has agreed to provide investor relation services to the Company (including but not limited to creating and distributing information to promote the Company) for a 24-month period, in consideration for Stocks Digital receiving a fee of \$412,500 payable in Adviser Shares.
- (g) A voting exclusion statement is included in the Notice.

12.4 **Additional information**

Resolution 9 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 9.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$	means Australian Dollars.
Adviser Shares	has the meaning given in Section 12.1.
AWST	means Australian Western Standard Time, being the time in Perth, Western Australia.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Bengal	has the meaning given in Section 3.2.
Bengal Projects	has the meaning given in Section 3.2.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Company	means Lightning Minerals Limited (ACN 656 005 122).
Consideration Options	has the meaning given in Section 3.2(b).
Consideration Performance Rights	has the meaning given in Section 3.2(c).
Consideration Securities	has the meaning given in Section 3.2.
Consideration Shares	has the meaning given in Section 3.2(a).
Constitution	means the Constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth), as amended.
Director	means a director of the Company.
Director Placement Options	has the meaning given in Section 3.1(e).
Director Placement Securities	has the meaning given in Section 3.1(e).
Director Placement Shares	has the meaning given in Section 3.1(e).
Equity Security	has the same meaning as in the Listing Rules.

Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Lead Manager	means Pac Partners Securities Pty Ltd.
Listing Rules	means the listing rules of ASX.
Material Investor	means in relation to the Company: <ul style="list-style-type: none"> (a) a related party; (b) Key Management Personnel; (c) a substantial Shareholder; (d) an advisor; or (e) an associate of the above, and they are being issued more than 1% of the Company's issued capital at the time of issue.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of annual general meeting.
Option	means an option giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
Performance Right	means a right, subject to certain terms and conditions, to acquire a Share on the satisfaction (or waiver) of certain performance conditions.
Placement	has the meaning given in Section 3.1.
Placement Options	has the meaning given in Section 3.1.
Placement Shares	has the meaning given in Section 3.1.
Proposed Acquisition	has the meaning in given in Section 3.2.
Proxy Form	means the proxy form made available with this Notice.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.

Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
Sellers	has the meaning given in Section 3.2.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Stocks Digital	has the meaning given in Section 12.1.
Tigre	has the meaning given in Section 3.2.
Tranche 1 Placement Options	has the meaning given in Section 3.1(a)
Tranche 1 Placement Participants	has the meaning given in Section 4.3(a).
Tranche 1 Placement Shares	has the meaning given in Section 3.1(b).
Tranche 2 Placement Options	has the meaning given in Section 3.1(c).
Tranche 2 Placement Participants	has the meaning given in Section 6.3(a).
Tranche 2 Placement Shares	has the meaning given in Section 3.1(d).
Transaction Resolutions	means Resolution 6, Resolution 7 and Resolution 8.

Schedule 2 Terms and Conditions of the Tranche 1 Placement Options, Tranche 2 Placement Options and Director Placement Options

The Tranche 1 Placement Options, Tranche 2 Placement Options and the Director Placement Options (hereinafter referred to as “**Placement Options**”) will be issued on the following terms and conditions:

1. **(Entitlement)**: Each Placement Option entitles the holder to subscribe for one Share upon exercise of the Placement Option.
2. **(Expiry Date)**: Each Placement Option will expire at 5:00pm (WST) 13 March 2028 (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. **(Number, Exercise Price and Expiry Date)**: The Placement Options are exercisable at \$0.25 each (**Exercise Price**).
4. **(Exercise Period)**: The Placement Options are exercisable at any time and from time to time on or prior to the Expiry Date.
5. **(Quotation of the Options)**: The Company will seek Official Quotation of the Placement Options, subject to satisfying the quotation conditions of the Listing Rules. If ASX does not grant Official Quotation of the Placement Options, the Placement Options will remain unlisted.
6. **(Notice of Exercise)**: A Placement Option holder may exercise their Placement Options by lodging with the Company, before the Expiry Date:
 - (a) a written notice of exercise of Placement Options specifying the number and class of options being exercised; and
 - (b) a cheque or electronic funds transfer for the Exercise Price for the number of Placement Options being exercised,

(Exercise Notice).

An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds (**Exercise Date**).

7. **(Timing of issue of Shares on exercise)**: Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Exercise Notice.
8. **(Shares issued on exercise)**: Shares issued on exercise of the Placement Options will rank equally with the then Shares of the Company.
9. **(Reconstruction of capital)**: If at any time the issued capital of the Company is reconstructed, all rights of a Placement Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
10. **(Participation in new issues)**: There are no participation rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital

offered to Shareholders during the currency of the Placement Options without exercising the Placement Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Placement Option holders the opportunity to exercise their Placement Options prior to the date for determining entitlements to participate in any such issue.

11. **(Adjustments):** A Placement Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Placement Option can be exercised.

Schedule 3 Terms and Conditions of Consideration Options

The Consideration Options will be issued on the following terms and conditions:

12. **(Entitlement)**: Each Consideration Option entitles the holder to subscribe for one fully paid ordinary share (**Share**) upon exercise of the Consideration Option.
13. **(Expiry Date)**: Each Consideration Option will expire at 5:00pm (WST) on the date that is three years from the date of issue (**Expiry Date**). A Consideration Option not exercised before the Expiry Date will automatically lapse on the Expiry Date
14. **(Number, Exercise Price and Expiry Date)**: The Consideration Options are exercisable at \$0.105 each (**Exercise Price**).
15. **(Exercise Period)**: The Consideration Options are exercisable at any time and from time to time on or prior to the Expiry Date.
16. **(Quotation of the Options)**: the Company will not apply for quotation of the Consideration Options on any securities exchange.
17. **(Transferability)**: The Consideration Options are not transferable.
18. **(Notice of Exercise)**: The Consideration Options may be exercised by notice in writing to the Company in the manner specified on the Consideration Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Consideration Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of a Consideration Option received by the Company will be deemed to be a notice of the exercise of that Consideration Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Consideration Option being exercised in cleared funds (**Exercise Date**).

19. **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the Exercise Date the Company will, subject to paragraph 22:
 - (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Consideration Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (b) if required and subject to paragraph 20, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Consideration Options.
20. **(Restrictions on transfer of Shares)**: If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Consideration Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

21. **(Shares issued on exercise):** Shares issued on exercise of the Consideration Options will rank equally with the then Shares of the Company.
22. **(Takeovers prohibition):**
- (a) the issue of Shares on exercise of the Consideration Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Consideration Options.
23. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Consideration Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
24. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Consideration Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Consideration Options without exercising the Consideration Options.
25. **(Entitlement to dividends):** The Consideration Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Options without exercising the Consideration Options.
26. **(Entitlement to capital return):** The Consideration Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Consideration Options without exercising the Consideration Options.
27. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.
28. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
- (a) the number of Shares which must be issued on the exercise of a Consideration Option will be increased by the number of Shares which the Consideration Option holder would have received if the Consideration Option holder had exercised the Consideration Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.

29. **(Voting rights):** The Consideration Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Consideration Options without first exercising the Consideration Options.
30. **(Constitution):** Upon the issue of Shares on exercise of the Consideration Options, the holder agrees to be bound by the Company's Constitution.

Schedule 4 Terms and conditions of Consideration Performance Rights

The proposed terms and conditions of the Consideration Performance Rights (hereinafter referred to as “**Performance Rights**”) are set out below:

1. **(Entitlement)**: Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder to the issue of one Share.
2. **(Issue Price)**: The Performance Rights are issued for nil cash consideration.
3. **(Vesting Condition)**: Subject to the terms and conditions set out below, the Performance Rights will have the vesting conditions (**Vesting Conditions**) set out below.

Tranche	Number of Performance Rights	Vesting Condition	Expiry Date
A	14,285,714	A Mineral Resource Estimate of a minimum of 5Mt at a grade of at least 1% <i>lithium</i> is declared by the Company on a Qualifying Property in an announcement on the ASX or similar securities exchange	3 years from the date of issue
B	14,285,714	A Mineral Resource Estimate of a minimum of 10Mt at a grade of at least 1% <i>lithium</i> is declared by the Company on a Qualifying Property in an announcement on the ASX or similar securities exchange	4 years from the date of issue
C	11,428,571	A Mineral Resource Estimate of a minimum of 30Mt at a grade of at least 1% <i>lithium</i> is declared by the Company on a Qualifying Property in an announcement on the ASX or similar securities exchange	5 years from the date of issue

For the purposes of the Vesting Conditions above, the following definitions apply:

Qualifying Property means any one of the Caraibas and Sidronio Projects, as modified through routine renewals and issues of mineral tenure.

JORC Code means the Joint Ore Reserves Committee’s Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition), or any update to that edition.

Mineral Resource Estimate means a mineral resource estimate of at least the inferred category, prepared in accordance with the JORC Code.

4. **(Vesting)**: Subject to the satisfaction of the Vesting Condition, the Company will notify the holder in writing (**Vesting Notice**) within 3 Business Days of becoming aware that the Vesting Condition has been satisfied.

5. **(Expiry Date):** The Performance Rights will expire and lapse at 5:00pm (AWST) on the date which is 5 years after the date of issue of the Performance Rights.
6. **(Exercise):** At any time between receipt of a Vesting Notice and the Expiry Date (as defined in paragraph 5 above), the holder may apply to exercise Performance Rights by delivering a signed notice of exercise to the Company Secretary of the Company. The holder is not required to pay a fee to exercise the Performance Rights.
7. **(Issue of Shares):** Within 5 business days after the valid exercise of a vested Performance Right, the Company will:
 - (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
 - (b) issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder;
 - (c) if required, and subject to paragraph 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.
8. **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
9. **(Ranking):** All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with other Shares.
10. **(Transferability of the Performance Rights):** The Performance Rights are not transferable.
11. **(Dividend rights):** A Performance Right does not entitle the holder to any dividends.
12. **(Voting rights):** A Performance Right does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
13. **(Quotation of the Performance Rights):** The Company will not apply for quotation of the Performance Rights on any securities exchange.
14. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder will be varied in accordance with the Listing Rules.
15. **(Entitlements and bonus issues):** Subject to the rights under paragraph 16, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
16. **(Bonus issues):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of

dividend reinvestment), the number of Shares which must be issued on the exercise of a vested Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

17. **(Change in control):** Upon:

- (a) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (i) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (ii) having been declared unconditional by the bidder; or
- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the relevant Vesting Conditions, 75% of the Performance Rights on issue to each holder will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis, with the balance of the Performance Rights to remain on issue in accordance with these terms.

18. **(Return of capital rights):** The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

19. **(Rights on winding up):** The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

20. **(Takeovers prohibition):** The issue of Shares on exercise of the Performance Rights is subject to and conditional upon:

- (a) the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
- (b) the Company not being required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Performance Rights.

21. **(No other rights):** A Performance Right does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

22. **(Amendments required by ASX):** The terms of the Performance Rights may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing

Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.

23. **(Constitution):** Upon the issue of the Shares on exercise of the Performance Rights, the holder will be bound by the Company's Constitution.



Lightning Minerals Ltd | ABN 40 656 005 122

Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **11.00am (AEST) on Tuesday, 11 June 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

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